



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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October 25, 1999

Mr. Tony Bates
Umetco Minerals Corporation
P.O. Box 1029
Grand Junction, Colorado 81502

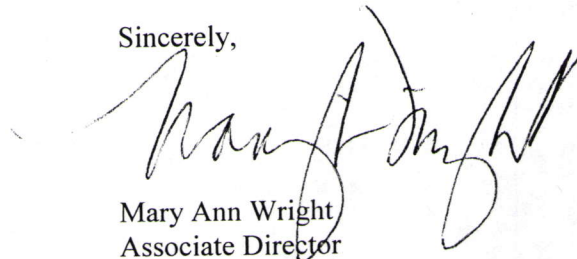
Re: Ongoing Reclamation During Suspension Period, Umetco Minerals Corporation, Calliham (M/037/023), Deremo-Peterson (M/037/025) and Wilson-Silverbell (M/037/027), San Juan County, Utah

Dear Mr. Bates:

The Division has reviewed your letter dated October 7, 1999 regarding the Minerals Rules as applied to a mine site in suspension over 10 years. After reviewing your letter describing the reclamation performed at the various sites to date and the proposed reclamation, we are in agreement that a request for an extension to the 10-year suspension period is not warranted. Essentially, these three Umetco sites are not in a state of suspension, but rather in a state of ongoing reclamation. In consideration of the ongoing reclamation and the schedule to complete the mine site reclamation by the fall of 2000, we will not require Umetco to appear before the Board of Oil, Gas and Mining to request a formal extension of the suspension period.

Please continue to keep us apprised of the reclamation status of these three operations. If you have any further questions in this regard please contact Wayne Hedberg, Permit Supervisor at (801) 538-5286. Thank you for your continued cooperation.

Sincerely,



Mary Ann Wright
Associate Director

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cc: Tony Gallegos, DOGM
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